

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
	)	
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No. 07-135
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Developing an Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Lifeline and Link-Up	)	WC Docket No. 03-109
	)	

**COMMENTS OF CABLEVISION SYSTEMS CORPORATION AND CHARTER  
COMMUNICATIONS, INC. IN RESPONSE TO THE COMMISSION’S FURTHER  
NOTICE OF PROPOSED RULEMAKING**

Cablevision Systems Corporation (“Cablevision”) and Charter Communications, Inc. (“Charter”) hereby submit these comments in response to the Commission’s Further Notice of Proposed Rulemaking in the above-captioned proceedings.<sup>1/</sup> In particular, Cablevision and Charter strongly support conditioning Connect America Fund (“CAF”) support on offering IP-to-IP interconnection for voice service. As Cablevision and Charter have explained, current law requires incumbent local exchange carriers (“ILECs”) to offer IP-to-IP interconnection, but many ILECs nevertheless refuse to make it available. Conditioning CAF support in this manner would

---

<sup>1/</sup> See *Connect America Fund*, WC Docket No. 11-90, et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, ¶ 1028 (rel. Nov. 18, 2011) (“*Order and FNRPM*”).

encourage all carriers to offer IP-to-IP interconnection and thereby promote the transition to advanced IP architecture that the Commission has expressly identified as an important objective of USF and ICC reform. By enhancing the efficient exchange of IP voice traffic, IP-to-IP interconnection will facilitate the deployment of voice-over-Internet protocol (“VoIP”) services in unserved areas. Moreover, by eliminating existing conversion costs, it will also ultimately reduce the outlay of CAF funds necessary to provide supported voice services.

There is clear precedent for requiring CAF recipients to honor requests for IP-to-IP interconnection. Receipt of CAF funding is already tied to compliance with other USF objectives, including specific deployment and service metrics. Mobility Fund recipients will be required to comply with the Commission’s voice and data roaming rules – and face the loss of funding if they fail to comply. ILECs are already subject to IP-to-IP interconnection requirements as part of their existing section 251 interconnection obligations.<sup>2/</sup> For such carriers, tying CAF funds to fulfillment of this obligation would simply ensure compliance with current law.

## **I. ILECs’ REFUSAL TO PROVIDE IP-TO-IP INTERCONNECTION IS FRUSTRATING THE TRANSITION TO ALL-IP NETWORKS**

The Commission has identified “accelerat[ing] the transition from circuit switched to IP networks” as a guiding principle for USF and ICC reform.<sup>3/</sup> As the Commission recently reiterated, the transition to more efficient all-IP networks can “creat[e] long-term benefits for consumers, businesses, and the nation.”<sup>4/</sup> Thus, one goal of this proceeding is to “facilitate the

---

<sup>2/</sup> See note 13, *infra*.

<sup>3/</sup> *Order and FNRPM* ¶ 11.

<sup>4/</sup> *Id.* ¶ 655.

transition to an all-IP network,”<sup>5/</sup> and many of the Commission’s actions were aimed at “furthering [the] overall goal of promoting a migration to modern IP networks.”<sup>6/</sup>

Importantly, the Commission also recognized that its efforts to promote migration to all-IP networks could be thwarted if local exchange carriers fail to provide IP-to-IP interconnection.<sup>7/</sup> As numerous commenters in these proceedings have noted, ILECs commonly refuse to agree to IP-to-IP interconnection and instead require connecting carriers to downconvert their VoIP traffic to the technically inferior and less efficient time division multiplexing (“TDM”) format as a condition of interconnection.<sup>8/</sup>

ILECs’ refusal to provide IP-to-IP interconnection allows them to shift to competitors part of the costs associated with their maintenance of legacy TDM networks in an increasingly IP world, reducing the ILECs’ incentive to convert their legacy networks into more efficient IP networks.<sup>9/</sup> Incentives for competitive carriers to adopt IP networks are also reduced where they must bear the cost and inefficiency of downconverting IP-formatted voice traffic to TDM format with an ILEC that refuses IP-to-IP interconnection. Lack of IP-to-IP interconnection thus hinders adoption of IP networks and slows progress toward the Commission’s goal of transition to an all-IP network.<sup>10/</sup>

---

<sup>5/</sup> *Id.* ¶ 783.

<sup>6/</sup> *Id.* ¶ 802. See also *Id.* ¶ 968 (“One of the goals of our reform is to promote investment in and deployment of IP networks.”).

<sup>7/</sup> See *Id.* ¶¶ 1009-11.

<sup>8/</sup> See *Connect America Fund*, WC Docket No. 10-90, Reply Comments of Cablevision Systems Corporation, at 2-3 (May 23, 2011) (“Cablevision Reply Comments”). See also Letter from Howard J. Symons, counsel for Cablevision Systems Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 10-90, et al., Attach. at 1-4 (filed Oct. 20, 2011).

<sup>9/</sup> Cablevision Reply Comments at 3-4.

<sup>10/</sup> See *id.* at 4 (citing comments from XO Communications, COMPTTEL, and T-Mobile).

## II. REQUIRING CAF RECIPIENTS TO PROVIDE IP-TO-IP INTERCONNECTION IS AN APPROPRIATE CONDITION ON THE RECEIPT OF CAF FUNDS

Recognizing that IP-to-IP interconnection is “critical” to attainment of the goal of an all-IP network,<sup>11/</sup> the Commission has expressed its expectations that all carriers would “negotiate in good faith in response to requests for IP-to-IP interconnection for the exchange of voice traffic” and that “such good faith negotiations [would] result in interconnection arrangements between IP networks for the exchange of voice traffic.”<sup>12/</sup> Given the critical role that IP-to-IP interconnection plays in the effort to reform USF and ICC, it is entirely appropriate for the Commission to tie receipt of CAF funds to an agreement to honor requests for such interconnection. Requiring CAF recipients to provide IP-to-IP interconnection is consistent with deployment of the most efficient networks for the delivery of the IP voice services supported by the CAF.

A carrier accepting funding from the CAF has all the interconnection obligations of any other carrier – including, for ILECs, an obligation for IP-to-IP interconnection under section 251(c)(2)(D).<sup>13/</sup> But CAF recipients receive special funding intended to promote development of

---

<sup>11/</sup> *Order and FNRPM* ¶ 1010.

<sup>12/</sup> *Id.* ¶ 1011. The Commission further sought comment in the FNRPM on implementation of the good faith negotiation requirement and “on any additional actions the Commission should take to encourage transitions to IP-to-IP interconnection.” *Id.* ¶ 1335.

<sup>13/</sup> Cablevision and Charter and others have urged the Commission to affirm that ILECs are required by section 251(c)(2)(D) of the Communications Act to provide IP-to-IP interconnection at rates, terms, and conditions that are just, reasonable, and non-discriminatory. *See, e.g.,* Cablevision Reply Comments at 4-5 (citing supporting comments from Cox Communications, EarthLink, PAETEC, Time Warner Cable, and XO Communications). *See also* *Petition for Declaratory Ruling that tw telecom inc. has the Right to Direct IP-to-IP Interconnection Pursuant to section 251(c)(2) of the Communications Act, and Amended, and for Transmission and Routing of tw telecom’s Facilities-Based VoIP Services and IP-in-the-Middle Voice Services*, WC Docket No. 11-119, Comments of Cablevision Systems Corporation and Charter Communications, Inc. (filed Aug. 15, 2011); *Petition for Declaratory Ruling that tw telecom inc. has the Right to Direct IP-to-IP Interconnection Pursuant to section 251(c)(2) of the Communications Act, and Amended, and for Transmission and Routing of tw telecom’s Facilities-Based VoIP Services and IP-in-the-Middle Voice Services*, WC Docket No. 11-119, Reply Comments of Cablevision Systems Corporation and Charter Communications, Inc., at 2 (filed Aug. 30, 2011) (citing supporting comments

broadband and IP networks, and therefore have additional responsibilities to support the Commission's USF objectives. As noted above, those include the migration to IP-to-IP interconnection.<sup>14/</sup> An explicit requirement that CAF recipients must provide IP-to-IP interconnection is simply a logical extension of other CAF requirements aimed at achieving the goals of the program.

A requirement that CAF recipients provide IP-to-IP interconnection will also help to ameliorate anticompetitive issues that arise out of the Commission's decision to give ILECs a right of first refusal for CAF funds, and would give the Commission the ability to enforce fulfillment of this important goal by withholding or clawing back support from an ILEC that refuses reasonable IP-to-IP interconnection requests. In this regard, tying CAF support to IP-to-IP interconnection is closely analogous to the Commission's decision to make voice and data roaming a condition of receiving Mobility Fund support<sup>15/</sup> and its rule reducing support for CAF recipients that fail to fulfill their public interest obligations, such as by failing to meet deployment milestones, to provide broadband at the required speeds, or to provide service at reasonably comparable rates.<sup>16/</sup>

More broadly, an IP-to-IP interconnection requirement will help ensure that CAF recipients operate with forward-looking technological efficiency. That, in turn, will ultimately reduce the amount of support needed to extend voice and broadband service to unserved areas.

---

from COMPTTEL, National Cable & Telecommunications Association, and Ymax Communications Corp.). The Commission should confirm the existing general requirement for IP-to-IP interconnection requirement under section 251 (and potentially other statutory bases) after reviewing additional comments on the subject requested as part of the FNRPM on ICC matters. *See Order and FNRPM* ¶¶ 1335-98.

<sup>14/</sup> *Order and FNRPM* ¶ 74 ("ETCs that benefit from public investment in their networks must be subject to clearly defined obligations associated with the use of such funding.").

<sup>15/</sup> *Id.* ¶ 380.

<sup>16/</sup> *Id.* ¶ 618.

For all of these reasons, it is timely and appropriate to require CAF recipients to honor reasonable requests for IP-to-IP interconnection.

### **III. SECTION 254 PROVIDES AMPLE AUTHORITY FOR THE COMMISSION TO INSTITUTE A REQUIREMENT FOR CAF RECIPIENTS TO PROVIDE IP-TO-IP INTERCONNECTION**

Section 254 provides the Commission with the authority to establish IP-to-IP interconnection requirements for CAF recipients, just as it authorizes the Commission to require CAF recipients to meet the other objectives of the USF and ICC reform, such as “invest[ing] in modern broadband-capable networks” that meet specified transmission requirements and are deployed in accordance with Commission-ordained milestones.<sup>17/</sup> The Commission has “a *mandatory* duty to adopt universal service policies that advance the principles outlined in section 254(b), and [the Commission has] the authority to create some inducement to ensure those principles are achieved.”<sup>18/</sup> More specifically, “[n]othing in section 254 prohibits the Commission from conditioning the receipt of support, and the Commission has imposed conditions in the past.”<sup>19/</sup>

Having concluded that provision of IP-to-IP interconnection is critical to the key universal service goal of promoting all-IP networks,<sup>20/</sup> the Commission should without question condition the receipt of CAF funds on a willingness to provide IP-to-IP interconnection.<sup>21/</sup> As the Commission has recognized, “section 254(e)’s reference to ‘facilities’ and ‘services’ as distinct items for which federal universal service funds may be used demonstrates that the federal

---

<sup>17/</sup> See *Id.* ¶¶ 61-71. See also *Id.* ¶ 94 (establishing minimum speed requirements for CAF-supported broadband service); *Id.* ¶¶ 160-61 (setting build out requirements for price-cap CAF recipients).

<sup>18/</sup> *Id.* ¶ 65 (emphasis added; internal quotes omitted).

<sup>19/</sup> *Id.* ¶ 71.

<sup>20/</sup> See *id.* ¶ 1010.

<sup>21/</sup> *Cf. id.* ¶¶ 90-100 (establishing other conditions on CAF support).

interest in universal service extends not only to supported services but also the nature of the facilities over which they are offered.”<sup>22/</sup>

The Commission has already imposed a wide range of conditions and requirements on USF recipients, including specifying that CAF recipients must deploy broadband-capable networks;<sup>23/</sup> requiring CAF Mobility Fund recipients to allow other providers to collocate facilities on recipients’ mobile service towers;<sup>24/</sup> and, as noted above, making compliance with data roaming a condition of receiving Mobility Fund support.<sup>25/</sup> An IP-to-IP interconnection requirement likewise promotes the objectives of section 254 and is therefore well within the Commission’s authority to adopt.

---

<sup>22/</sup> *Id.* ¶ 308.

<sup>23/</sup> *Id.* ¶ 60 (“Section 254 grants the Commission clear authority to . . . condition the receipt of universal service support on the deployment of broadband networks.”).

<sup>24/</sup> *Id.* ¶ 376.

<sup>25/</sup> *See id.* ¶ 379.

## CONCLUSION

For the foregoing reasons, the Commission can and should require CAF recipients to provide IP-to-IP interconnection to requesting carriers.

Respectfully submitted,

/s/ Howard J. Symons

Michael E. Olsen  
Vice President,  
Legal and Regulatory Affairs  
Cablevision Systems Corp.  
1111 Stewart Avenue  
Bethpage, NY 11714  
(516) 803-2300

Howard J. Symons  
Ernest C. Cooper  
MINTZ, LEVIN, COHN, FERRIS, GLOVSKY  
AND POPEO, P.C.  
701 Pennsylvania Avenue, N.W.  
Suite 900  
Washington, D.C. 20004  
(202) 434-7300

Mark E. Brown  
Senior Director and Senior Counsel  
Charter Communications, Inc.  
11720 Amber Park Drive, Suite 160  
Alpharetta, GA 30009  
(770) 754-5269

Samuel L. Feder  
JENNER & BLOCK LLP  
1099 New York Ave., NW  
Suite 900  
Washington, D.C. 20001  
(202) 639-6000

Michael R. Moore  
Director and Senior Counsel  
Charter Communications, Inc.  
12405 Powerscourt Drive  
St. Louis, MO 63131  
(314) 543-2414

January 18, 2012